

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES
AND THE
MINISTRY OF ECONOMY OF ESTONIA
FOR TECHNICAL COOPERATION IN THE CLEAN-UP OF THE
PALDISKI NUCLEAR TRAINING SITE

The Department of Energy of the United States of America ("DOE") and the Ministry of Economy of Estonia ("MOE") (hereinafter referred to as "the Parties");

Considering the cooperation between the Parties in science and technology pursuant to the Agreement on Science and Technology Cooperation of July 6, 1994;

Noting that the Parties share common interests and objectives in environmental restoration and in the safe and effective management of hazardous wastes; and

Desiring to collaborate in the restoration and clean-up of the environment at and around the nuclear training site at Paldiski, Estonia;

HAVE AGREED AS FOLLOWS:

ARTICLE I

1. This Memorandum of Understanding ("MOU") is subject to and governed by the terms of the Agreement between the Government of the United States of America and the Government of Estonia on Science and Technology Cooperation signed on July 6, 1994. In the event of any conflict between the terms and conditions of that Agreement and this MOU, the terms and conditions of that Agreement shall govern.

ARTICLE II

1. Cooperation under this MOU may include the following areas:

a. A technical site assessment, including an aerial radiological survey and, if warranted, follow-on ground surveys to evaluate the nature of the hazards present at the site, including the reactors station and surrounding environment;

b. A specific training program for Estonian engineers and specialists on decommissioning and dismantling methods, and project management;

c. A workshop on risk assessment and management; and

- d. Such other related areas as may be mutually agreed by the Parties in writing.
2. Activities under this MOU shall be undertaken in accordance with the laws and regulations of each country.
3. Activities undertaken pursuant to this MOU are subject to the availability of appropriated funds.

ARTICLE III

1. A Coordinator shall be designated by each Party to supervise the implementation of this MOU. As mutually agreed, the Coordinators shall meet to evaluate all aspects of cooperation under this MOU. These meetings shall be held alternately in the United States and Estonia.
2. The Coordinators shall approve and monitor all cooperative activities to be carried out under this MOU.
3. The Coordinators shall review and evaluate any newly proposed activities and the status of cooperation under this MOU. They also shall give appropriate guidance and directions to project managers of activities developed under the MOU. If so requested, the Coordinators may give advice to the Parties regarding the progress and future of the cooperative activities established under this MOU.
4. The Coordinators shall, as necessary and appropriate, establish separate subcommittees in any of the areas of cooperation to facilitate implementation of projects which may be undertaken in those areas.

ARTICLE IV

The following provisions shall apply concerning exchanges of equipment pursuant to this MOU:

1. By mutual agreement, a Party may provide equipment to be utilized in a joint activity. In such case, the sending Party shall supply, as soon as possible, a detailed list of the equipment to be provided together with the relevant specifications and appropriate technical documentation related to the use, maintenance, and repair of the equipment.
2. Title to the equipment and necessary spare parts supplied by the sending Party for use in joint

activities shall remain in the sending Party, and the property shall be returned to the sending Party upon completion of the joint activity, unless otherwise agreed.

3. Equipment provided pursuant to this MOU shall be brought into operation at the host establishment only by agreement of the Parties.
4. The host establishment shall provide the necessary premises for the equipment, shall provide for utilities such as electric power, water, and gas, and normally shall provide materials to be tested, in accordance with the agreed technical requirements.
5. The responsibility and expenses for the transport of equipment and materials from the United States by plane or ship to an authorized port of entry in Estonia convenient to the ultimate destination, and also responsibility for its safekeeping, and insurance en route, shall rest with DOE, unless otherwise agreed.
6. The responsibility and expenses for the transport of equipment and materials from Estonia by plane or ship to an authorized port of entry in the United States convenient to the ultimate destination, and also responsibility for its safekeeping and insurance en route, shall rest with MOE, unless otherwise agreed.
7. Equipment provided pursuant to this MOU for use in joint activities shall be considered to be scientific, not having a commercial character, and each Party shall make its best effort to obtain duty free entry.

ARTICLE V

The following provisions shall apply concerning exchanges of personnel under this MOU:

1. Whenever an exchange of personnel is contemplated, each Party shall ensure the selection of adequate personnel with skills and competence necessary to conduct the activities planned under this MOU. Each such exchange of personnel shall be mutually agreed in advance by an exchange of letters between the Parties, referencing this MOU and pertinent intellectual property provisions.
2. Each Party shall arrange for adequate accommodations for the other Party's staff or its contractors (and their families) on a mutually agreeable, reciprocal

basis.

3. Each Party shall provide all necessary assistance to the staff of the other Party or its contractors as regards administrative formalities.
4. The staff of each Party or its contractors shall conform to the general rules of work and safety regulations in force at the host establishment.
5. The Parties shall ensure that DOE contractors are adequately protected against nuclear liability that might arise from their work under this MOU.

ARTICLE VI

1. Unless otherwise agreed, all costs resulting from cooperation pursuant to this MOU shall be the responsibility of the Party that incurs them.
2. Each Party shall use its best efforts to obtain all permits and licenses required by the applicable laws and regulations for the implementation of this MOU.

ARTICLE VII

1. Intellectual property created or furnished in the course of cooperative activities under this MOU shall be protected and distributed as set forth in the Annex of the Agreement signed by the Government of the United States of America and the Government of Estonia on July 6, 1994, which is incorporated herein and forms an integral part of this MOU.
2. Both Parties agree that no information or equipment requiring protection in the interests of national defense or foreign relations of either Party and classified in accordance with the applicable national laws and regulations shall be provided under this MOU. In the event that information or equipment which is known or believed to require such protection is identified in the course of cooperative activities undertaken pursuant to this MOU, it shall be brought immediately to the attention of the appropriate officials and the Parties shall consult to identify appropriate security measures to be agreed upon by the Parties in writing and applied to this information and equipment and shall, if appropriate, amend this MOU to incorporate such measures.

ARTICLE VIII

Any dispute concerning the interpretation or application of this

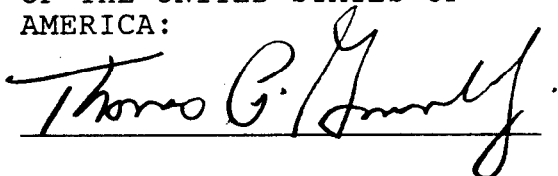
MOU shall be settled by mutual agreement of the Parties.

ARTICLE IX

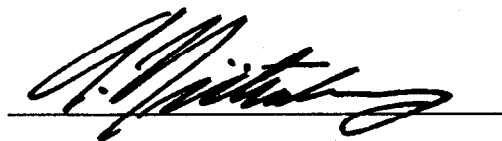
1. This MOU shall enter into force upon signature by both Parties and shall remain in force for five (5) years.
2. This MOU may be amended or extended by mutual written agreement of the Parties. This MOU may be terminated upon one (1) year's advance notification in writing by either Party. Such termination shall be without prejudice to any rights and interests which may have accrued under this MOU to either Party prior to termination.
3. All joint efforts and experiments not completed at the expiration or termination of this MOU may be continued until their completion under the terms of this MOU.

Done at Tallinn, in duplicate, in the English and Estonian languages, each text being equally authentic, this 13th day of March, 1995.

FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES OF
AMERICA:

A handwritten signature in dark ink, appearing to read "Thomas G. Gandy", written over a horizontal line.

FOR THE MINISTRY OF ECONOMY
OF ESTONIA:

A handwritten signature in dark ink, appearing to read "A. P. Mikhelson", written over a horizontal line.